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NATIONAL SPECIALTY PHARMACY LLC

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

NATIONAL SPECIALTY
PHARMACY LLC,

Plaintiff,

vs.

MAYBELLINE SANA, an individual;
RAYNE BRIDGES, an individual; and
DOES 1 to 49, inclusive,

Defendants.

Case No. 2:25-cv-00295-CDS-MDC

**PLAINTIFF NATIONAL
SPECIALTY PHARMACY LLC'S
OPPOSITION TO DEFENDANT SANA'S
MOTION TO DISMISS / MOTION FOR
SUMMARY JUDGMENT**



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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

This Action arises out of conduct by three former employees of Plaintiff National Specialty Pharmacy, LLC (“Plaintiff” or “NSP”) to steal NSP’s trade secrets to unfairly compete against NSP, in breach of their contracts with NSP and in violation of applicable law. Defendants Maybelline Sana (“Sana”) and Rayne Bridges (“Bridges”) conspired with Sameer Padhye (“Padhye”) to start competitor Taycann LLC (“Taycann”), doing business as Taycann Wellness, with NSP’s intellectual property. These faithless former-employees are now seeking to avoid liability for the significant harm they caused to NSP.

This Court should deny Sana’s Motion to Dismiss, or in the alternative her Motion for Summary Judgment, because she fails to demonstrate (1) that this Court does not have subject matter jurisdiction of NSP’s claim, (2) that NSP does not have standing to bring a claim against her for misappropriation of trade secrets, or (3) that NSP has not stated plausible claims, and provided evidence, against her for trade secret misappropriation and breach of contract.

As explained below, each of Sana’s arguments fails as a matter of law and is contradicted by the detailed factual allegations set forth in the Complaint, and in the accompanying declaration of Sanjiv Dhawan. First, the Court has subject matter jurisdiction over NSP’s claims because the Complaint alleges violations of a federal statute—the Defend Trade Secrets Act (“DTSA”)—and the state-law claims arise from the same nucleus of operative fact, invoking the Court’s supplemental jurisdiction under 28 U.S.C. § 1367.

Second, NSP has standing to bring its trade secret misappropriation claims because it has alleged concrete injury, causation, and redressability, and shown that the trade secrets at issue were used in interstate commerce, satisfying DTSA’s statutory requirements.

Third, NSP has stated a prima facie claim for trade secret misappropriation under both the DTSA and the Nevada Uniform Trade Secrets Act (“UTSA”). NSP identifies the trade secrets with specificity, describes the reasonable steps NSP took to protect them, and states with particularity the ways in which Sana misappropriated them to benefit a competitor. NSP also plausibly alleges damages resulting from this conduct.



1 Fourth, NSP has stated a viable breach of contract claim by alleging that Sana violated both
2 express and implied obligations in her employment agreement, including confidentiality and
3 conflict-of-interest provisions. These breaches caused substantial harm to NSP's operations and
4 competitive standing, resulting in cognizable damages.

5 Finally, NSP's claim for injunctive relief is not moot. The threat of future harm remains
6 real and ongoing because Sana continues to possess NSP's confidential and proprietary
7 information, and NSP intends to continue to utilize those confidential and proprietary information
8 for future business. Without injunctive relief, nothing prevents her from disclosing these trade
9 secrets to another competitor.

10 Therefore, as shown below, this Court should deny Sana's Motion to Dismiss in its entirety
11 and allow NSP's valid claims to proceed to discovery. To the extent the Court regards Sana's
12 Motion to Dismiss as a Motion for Summary Judgment, though premature and without the benefit
13 of discovery, NSP has included a declaration for evidentiary support.

14 **II. STATEMENT OF RELEVANT FACTS**

15 NSP is a compounding pharmacy that provides various life-saving drugs and durable
16 medical equipment to patients primarily in Nevada, and in 16 other states. (ECF No. 1 at ¶ 13
17 (Complaint)); Declaration of Sanjiv Dhawan (Exhibit "1," attached, "Dhawan Decl." at ¶2.) Its
18 business focuses on serving patients holding Pharmacy Benefits Cards issued by the U.S.
19 Department of Labor, also known as "White Cards." (ECF No. 1 at ¶ 14; Dhawan Decl. at ¶ 3.)
20 The White Card program is obscure and not widely pursued by other pharmaceutical companies.
21 (*Id.*) NSP spent seven years of labor and significant capital investment to obtain approval for and
22 develop its White Card business, which encompasses the development, compounding, marketing,
23 and sale of pharmaceuticals and other medical products, including those under government
24 contracts. (*Id.* ¶¶ 14-15.)

25 The end result of NSP's labor and financial investment are databases (the "Databases")
26 that store *inter alia*, complex patient information, including, but not limited to, patient name and
27 contact information, the patient's diagnosis and pharmaceutical purchase history, medical provider
28 (including type of medical provider), and how long they had been in the White Card program.



1 (ECF No. 1 at ¶¶ 36, 135; Dhawan Decl. at ¶ 5.) As NSP marketing efforts were primarily targeted
2 at referring medical providers, the database allowed users to sort by medical providers, and
3 ascertain how much NSP business was associated with each medical provider. (Dhawan Decl. at
4 ¶ 5.) In the wrong hands, the Database would allow competitors to quickly and easily target NSP's
5 biggest revenue sources.

6 In addition, NSP developed a customer resource management system ("CRM") using the
7 platform Monday.com, which organizes information from the Databases and presents it in a user-
8 friendly manner. (ECF No. 1 at ¶ 42; Dhawan Decl. at ¶ 6.) The Databases and CRM contain the
9 type of customer lists that are regularly found to be protectable trade secrets, and a more specific
10 identification of NSP's trade secrets is attached as Exhibit 1-A to the Dhawan Declaration.

11 To comply with industry law and regulation, including the Health Insurance Portability and
12 Accountability Act ("HIPAA"), NSP invests heavily in security measures to protect its proprietary
13 information, including encryption, password protection, physical security, legal review, and
14 binding written agreements for employees with confidentiality and nondisclosure provisions. (ECF
15 No. 1 at ¶ 17; Dhawan Decl. at ¶ 7.) The confidentiality of NSP's proprietary processes and
16 information is crucial to its success—if its competitors accessed this information, they could
17 duplicate NSP's products, target its patients and business partners, and capture its market share.
18 (ECF No. 1 at ¶ 18; Dhawan Decl. at ¶ 7.)

19 Defendant Sana began her employment with NSP as a pharmacy technician on May 21,
20 2018, and was later promoted to Director of Operations and Human Resources in the Fall of 2022.¹
21 (ECF No. 1 at ¶ 29; Dhawan Decl. at ¶ 9, Ex. 1-B.) During her tenure, Sana worked closely with
22 Padhye, NSP's former Chief Strategy Officer, who founded the competing venture Taycann, and
23 is a defendant in a related case in the Northern District of California. (ECF No. 1 at ¶¶ 2, 30;
24 Dhawan Decl. at ¶ 9-11, Exs. 1-B and 1-C.) When Sana was hired, she signed an employment
25 agreement (the "Agreement"), in which she agreed to maintain confidential information, avoid
26

27 _____
28 ¹ Sana also goes by the name "Maybelline Ash," as reflected on her employment agreement.
(Dhawan Decl. at ¶ 9, Ex. 1-B.)



1 conflicts of interest, and comply with confidentiality provisions. (*Id.* ¶ 102.) Specifically, Sana
2 agreed that “during and after my employment with [NSP], I will hold in the strictest confidence,
3 and take all reasonable precautions to prevent any unauthorized use or disclosure of Company
4 Confidential Information.” (*Id.*)

5 Beginning at least in the first half of 2023, Padhye began to develop Taycann, a direct
6 competitor to NSP. (ECF No. 1 at ¶ 32; Dhawan Decl. at ¶ 11.) Taycann was incorporated in 2022.
7 (*Id.*) Padhye wholly shunned his duties to develop NSP’s business in favor of developing Taycann,
8 leaving NSP in a perilous state.

9 Notwithstanding their employment agreements, Sana and Bridges accepted Padhye’s
10 invitation to assist him in launching Taycann while all were still employed by NSP. (ECF No. 1 at
11 ¶¶ 2, 32-33; Dhawan Decl. at ¶ 12.) For months, she concealed this conflict of interest, providing
12 her with continued access to NSP’s confidential trade secrets for Taycann’s benefit. (ECF No. 1
13 at ¶¶ 75-78.) Sana, Bridges, and Padhye’s lack of loyalty to NSP meant they were shirking their
14 NSP duties in favor of building Taycann. During this period, NSP employees noticed that Sana,
15 Padhye, and Bridges frequently held secret meetings that other employees were not privy to. (ECF
16 No. 1 at ¶ 55; Dhawan Decl. at ¶ 11.) Once they determined to leave NSP and focus on Taycann,
17 Sana and the co-conspirators coordinated their resignation dates within one month of each other.
18 (ECF No. 1 at ¶ 62; Dhawan Decl. at ¶ 12.)

19 Sana resigned from NSP on July 5, 2023, with an effective date of July 31, 2023, though
20 she ceased working for NSP by July 14, 2023. (ECF No. 1 at ¶ 65; Dhawan Decl. at ¶ 12.) On the
21 eve of Padhye’s resignation on June 22, 2023, while Sana was still employed with NSP, she
22 emailed him trade secret information from NSP’s proprietary Databases—information seemingly
23 sent to gather information in preparation of launching Taycann. (ECF No. 1 at ¶ 41; Dhawan Decl.
24 at ¶ 12.) Later, by misleading Monday.com personnel, Padhye gained exclusive use of NSP’s CRM
25 for a period and locked out all NSP users. (ECF No. 1 at ¶ 42; Dhawan Decl. at ¶ 13.) When NSP
26 regained access to the system, it discovered several references to Taycann, with comments by Sana
27 noting her sales success on Taycann’s behalf. (ECF No. 1 at ¶ 43; Dhawan Decl. at ¶ 13.)
28



1 Following her resignation, Sana solicited NSP personnel, including Benjamin Brown, to
2 perform marketing work for her new venture, Taycann, in violation of her employment agreement.
3 (ECF No. 1 at ¶ 71; Dhawan Decl. at ¶ 14.) She also engaged in disruptive conduct during her
4 employment, including spreading false statements to NSP employees—such as claiming NSP’s
5 CEO Sanjiv Dhawan wished harm on a senior employee and his wife, and fabricating Dhawan’s
6 net worth to incite dissatisfaction—all of which damaged employee morale and NSP’s operations.
7 (ECF No. 1 at. ¶¶ 57-60; Dhawan Decl. at ¶ 16.)

8 As a result of Sana, Bridges, and Padhye’s actions, NSP suffered significant financial and
9 reputational harm. NSP regularly had income of over \$10 million per year, with 2022 net profit of
10 over \$3.4 million, but that was down in 2023 to net profit of over \$2.3 million after the conduct
11 complained of herein by Sana, Bridges, and Padhye. (Dhawan Decl. ¶ 16.) Their misappropriation
12 of trade secrets allowed a competitor (Taycann) to exploit proprietary information that NSP spent
13 years developing and safeguarding. (*Id.* ¶ 72.) Their solicitation of employees and disruptive
14 conduct fractured NSP’s workforce and hindered its operations. (ECF No. 1 at ¶¶ 71-72; Dhawan
15 Decl. at ¶ 17.) In the end, the unlawful conduct, exodus from NSP, shirking of NSP duties, and
16 discord sowed amongst NSP’s workforce and ultimately caused NSP to pause its business
17 operations while it regroups and rehires. However, NSP continues to maintain its leases, continues
18 to own its pharmaceutical equipment, and is considering its relaunch plans. (Dhawan Decl. at ¶
19 16.) Sana and her co-conspirators, Padhye and Bridges, left NSP grappling with lost business,
20 compromised proprietary information, and fractured relationships—consequences that still harm
21 NSP to this day.

22 **III. LEGAL STANDARD**

23 To survive a motion to dismiss, “a complaint need not contain detailed factual allegations;
24 rather, it must plead ‘enough facts to state a claim to relief that is plausible on its face.’” *Clemens*
25 *v. DaimlerChrysler Corp.*, 534 F.3d 1017, 1022 (9th Cir. 2008) (*quoting Bell Atl. Corp. v.*
26 *Twombly*, 550 U.S. 544 (2007)). “The issue is not whether a plaintiff will ultimately prevail, but
27 whether the claimant is entitled to offer evidence to support the claims.” *Kizer v. PTP, Inc.*, 129
28



1 F.Supp.3d 1000, 1005 (D. Nev. 2015) (*quoting Gilligan v. Jamco Dev. Corp.*, 108 F.3d 246, 249
2 (9th Cir.1997)).

3 “A complaint may be dismissed as a matter of law for one of two reasons: ‘(1) lack of a
4 cognizable legal theory, or (2) insufficient facts under a cognizable legal claim.’” *Allen v. United*
5 *States*, 964 F.Supp.2d 1239, 1251 (D. Nev. 2013) (*quoting Robertson v. Dean Witter Reynolds,*
6 *Inc.*, 749 F.2d 530, 534 (9th Cir.1984)). In making this determination, “[a]llegations in the
7 complaint are taken as true and construed in the light most favorable to the plaintiff.” *Kizer*, 129
8 F.Supp.3d at 1005 (*citing Allen*, 964 F.Supp.2d at 1251).

9 Defendant’s reliance on exhibits outside the four corners of the Complaint, if not excluded,
10 may convert the Rule 12(b)(6) motion to dismiss into a motion for summary judgment. See Fed.
11 R. Civ. P. 12(d) (stating that if “matters outside the pleadings are presented to and not excluded
12 by the court, the motion must be treated as one for summary judgment under Rule 56”). Courts
13 have routinely recognized that “[a] district court may not consider any material beyond the
14 pleadings in ruling on a Rule 12(b)(6) motion” without converting the motion into one for
15 summary judgment and giving all parties a reasonable opportunity to present pertinent material,
16 except that “documents whose contents are alleged in a complaint and whose authenticity no party
17 questions, but which are not physically attached to the pleading, may be considered in ruling on a
18 Rule 12(b)(6) motion to dismiss.” *Lee v. City of Los Angeles*, 250 F.3d 668, 688 (9th Cir. 2001);
19 *Branch v. Tunnell*, 14 F.3d 449, 454 (9th Cir. 1994) (overruled on other grounds by *Galbraith v.*
20 *Cnty. of Santa Clara*, 307 F.3d 1119 (9th Cir. 2002)). Where the motion is converted, the moving
21 party must meet the stringent standards of Rule 56 and the nonmoving party must be afforded the
22 procedural safeguards and opportunity for discovery warranted under Rule 56(d).

23 Here, NSP has had no meaningful opportunity to conduct discovery or develop facts
24 essential to oppose what effectively operates as a Rule 56 motion. Granting summary judgment at
25 this nascent stage, where pertinent facts remain undeveloped, would violate the fundamental
26 fairness required by the Federal Rules of Civil Procedure and controlling Ninth Circuit precedent.
27 Accordingly, Sana’s motion should be evaluated solely under the Rule 12(b)(6) standard and the
28



exhibits should be disregarded, or, in the alternative, the motion should be denied as premature until NSP has been afforded the opportunity to conduct adequate discovery.

IV. LEGAL ARGUMENT

A. This Court has jurisdiction over NSP’s claims because the requirements of federal question jurisdiction and supplemental jurisdiction are satisfied.

Federal courts have jurisdiction over questions of federal law and may exercise supplemental jurisdiction over related state law claims. 28 U.S.C. §§ 1331, 1367. Under federal question jurisdiction, no amount in controversy is required. *See* 28 U.S.C. §§ 1331.

Supplemental jurisdiction applies to state law claims that share a common nucleus of operative fact with the federal claim, such that they form part of the same case or controversy. *See United Mine Workers of America v. Gibbs*, 383 U.S. 715, 725 (1966); *Acri v. Varian Assocs., Inc.*, 114 F.3d 999, 1000 (9th Cir. 1997) (*en banc*).

Here, NSP asserts a claim under the DTSA, a federal statute, which invokes federal question jurisdiction. *See* 28 U.S.C. § 1331. Further, NSP’s state law claims against Defendant Sana—including fraudulent concealment, civil conspiracy to commit fraud, breach of contract, breach of fiduciary duty, intentional interference with contractual relations, and misappropriation of trade secrets under Nevada’s UTSA—arise from the same set of facts: Sana’s fraudulent conduct in misappropriating trade secrets for a competitor in violation of her employment agreement. (ECF No. 1 at ¶¶ 74-88, 100-126, 146-156.) Because these claims share a common nucleus of operative fact with NSP’s DTSA claim, supplemental jurisdiction is appropriate under 28 U.S.C. § 1367.² *See Gibbs*, 383 U.S. at 725; *Acri*, 114 F.3d at 1000.

² Sana’s contention that NSP engaged in forum shopping by filing in Nevada after she was dismissed from NSP’s California action against Padhye is without merit. (*See* Defendant Sana’s Motion to Dismiss (“Sanna Mot.”) at 7.) As Sana is aware, the Northern District of California ruled that NSP could not establish personal jurisdiction over her and co-Defendant Bridges in California. (*See* Compl. ¶ 5.) Accordingly, NSP elected to pursue its claims against Sana and Bridges in Nevada, where it could establish personal jurisdiction over both Defendants. The traditional concern implicated by forum shopping—selecting a jurisdiction with favorable precedent—was absent from NSP’s decision to file this action against Sana and Bridges in Nevada, and there is no evidence to the contrary.



Therefore, this Court has subject matter jurisdiction over NSP’s claims, as the DTSA claim establishes federal question jurisdiction, and this Court may exercise supplemental jurisdiction over NSP’s related state law claims.

B. NSP has stated a prima facie case of trade secret misappropriation against Sana because it has standing to bring the claim, and its allegations identify legally protected trade secrets, Sana’s misappropriation of them, and resulting damages.

The elements required to state a claim under the Defend Trade Secrets Act (“DTSA”) are virtually identical to those required under the Nevada Uniform Trade Secrets ACT (“UTSA”), and courts often analyze claims under both statutes together. *See generally IntelClear, LLC v. ETC Glob. Holdings, Inc.*, 978 F.3d 653, 657 (9th Cir. 2020) (“*IntelClear*”).

To establish standing under either statute, the plaintiff must (1) be an “owner of a trade secret that is misappropriated,” *see* 18 U.S.C. § 1836(b)(1), and (2) meet the requirements for Article III standing: injury, causation, and redressability. *Lujan v. Defenders of Wildlife*, 504 U.S. 555, 560-61 (1992). Additionally, under the DTSA, a trade secret must be “related to a product or service used in, or intended for use in, interstate or foreign commerce.” 18 U.S.C. § 1836(b)(1); *see also WWMAP, LLC v. Birth Your Way Midwifery*, 711 F.Supp.3d 1313, 1324 (N.D. Fla. 2024) (“*WWMAP*”) (holding that trade secrets used by a medical provider operating across state lines satisfies the interstate commerce requirement).³

To state a prima facie case of trade secret misappropriation, a plaintiff must establish the following elements:

1. a valuable trade secret;

³ Notwithstanding Sana’s contentions to the contrary, there is no requirement that a plaintiff “retain an active business interest in the trade secrets it seeks to protect,” or that the plaintiff lacks a protectable interest if it ceases operations. (*See Sana Mot.* at 4.) Rather, all that matters is that the plaintiff owns the trade secret it seeks to protect and suffered damages as a result of that trade secrets misappropriation. Thus, although NSP is not currently operating—in large part due to the Defendants’ conduct and the discord they sowed within NSP—it remains a licensed business with the Nevada Secretary of State’s Office. The fact that NSP is not currently operating does not detract from its ownership of its trade secrets or its right to recover damages for their misappropriation. If anything, it only underscores the lasting damage caused by Defendants’ misconduct.



2. misappropriation of the trade secret through use, disclosure, or nondisclosure of use of the trade secret; and
3. the requirement that the misappropriation be wrongful because it was made in breach of an express or implied contract or by a party with a duty not to disclose.

Chemeon Surface Tech., LLC v. Metalast Int'l, Inc., 312 F.Supp.3d 944, 958 (D. Nev. 2018), *on reconsideration in part*, No. 315CV00294MMDVPC, 2018 WL 3127454 (D. Nev. June 26, 2018).

A “trade secret” is defined as “all forms and types of financial, business, scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or codes, whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing if—

(A) the owner thereof has taken reasonable measures to keep such information secret; and

(B) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure or use of the information”.

18 U.S.C.A. § 1839(3).

At the pleading stage, a plaintiff must identify the alleged trade secrets with reasonable particularity, meaning enough detail to distinguish it from general knowledge. *See InteliClear*, 978 F.3d at 657; *see also Gallagher Benefit Servs., Inc. v. De La Torre*, 283 F.App'x 543, 545 (9th Cir. 2008) (“*Gallagher*”) (holding that a business’s “customer-related information, such as its customers’ key contacts and preferences,” qualified as a trade secret); *Alta Devices, Inc. v. LG Elecs., Inc.*, 343 F.Supp.3d 868, 881 (N.D. Cal. 2018) (“*Alta Devices*”) (holding that “confidential business plans” qualified as trade secrets under the DTSA).

Further, “misappropriation” is defined as, *inter alia*, use of a trade secret of another without express or implied consent by a person who at the time of disclosure or use, knew or had reason to know that the knowledge of the trade secret was acquired under circumstances giving rise to a duty to maintain the secrecy of the trade secret or limit the use of the trade secret. 18 U.S.C.A. § 1839(5); *see also* 18 U.S.C. § 1839(5); *WeRide Corp. v. Kun Huang*, 379 F.Supp.3d 834, 848



1 (N.D. Cal. 2019) (holding that downloading files before leaving employment constituted
2 misappropriation) (observing that “direct evidence of misappropriation is rare”); *Henry Schein,*
3 *Inc. v. Cook*, 191 F.Supp.3d 1072, 1077 (N.D. Cal. 2016) (holding that downloading and e-mailing
4 confidential customer data for a competitor constituted misappropriation).

5 Finally, damages resulting from the defendant’s misappropriation must be plausibly
6 alleged at the pleading stage, not precisely calculated. *See Oakwood Lab's LLC v. Thanoo*, 999
7 F.3d 892, 914 (3d Cir. 2021) (“*Oakwood*”) (holding that even where the defendants had not used
8 the plaintiff’s trade secrets to launch a competing pharmaceutical product, the harm caused by the
9 defendants’ misappropriation was sufficient to allege the existence of resulting damages); *see*
10 *generally Twombly*, 550 U.S. at 555; *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009).

11 Here, NSP has standing under the DTSA because its allegations demonstrate that each
12 requirement of Article III standing has been satisfied, and that it has identified trade secrets used
13 in interstate commerce.

14 First, NSP alleges an injury-in-fact—the first requirement of Article III standing—by
15 demonstrating specific economic harms resulting directly from Sana’s misappropriation of its trade
16 secrets, including lost clients, diminished goodwill, and reduced market share. (ECF No. 1 at ¶¶
17 72–73.) Second, NSP establishes the causation required under Article III by clearly linking Sana’s
18 unauthorized disclosure and use of its confidential information—including emailing trade secrets
19 to Padhye and providing them to Taycann Wellness—to the economic harm NSP suffered. (ECF
20 No. 1 at ¶¶ 41, 65.) Moreover, NSP specifically alleges that Sana’s misuse targeted its existing
21 patients and providers, confirming the direct causal relationship between Sana’s conduct and
22 NSP’s harm. (ECF No. 1 at ¶¶ 72–73). Third, NSP’s harms are redressable through monetary
23 damages and injunctive relief, remedies explicitly authorized by the DTSA. *See* 18 U.S.C. §
24 1836(b)(3). Thus, NSP’s claim against Sana for trade secret misappropriation satisfies each
25 requirement for Article III standing.

26 Next, NSP’s allegations show that its trade secrets were used in interstate commerce.
27 Specifically, NSP alleges that it used its patient data, proprietary formulas, and pricing strategies
28 to support its nationwide White Card business, with patients across multiple states, including but



not limited to Nevada, California, and Tennessee. *See WWAMP*, 711 F.Supp.3d at 1324; (ECF No. 1 at ¶¶ 1, 4, 13, 67-68, 123, 132, 159, 161.) These allegations clearly establish that NSP's trade secrets were directly related to products and services used in interstate commerce.⁴

Further, NSP has identified its trade secrets with the requisite particularity to qualify for protection under the UTSA and the DTSA. Specifically, NSP has identified its proprietary patient information, vendor and medical provider lists, pricing strategies, marketing data, and pharmaceutical formulas as confidential business information that derives independent economic value from not being generally known or readily ascertainable. *See InteliClear*, 978 F.3d at 657; *Gallagher*, 283 F.App'x 543, 545; *Alta Devices*, 343 F.Supp.3d at 881 (ECF No. 1 at ¶¶ 15-19, 36-37, 136.) NSP has also alleged that it took reasonable steps to maintain the secrecy of this information through encryption, password protection, physical security, legal reviews, and binding written agreements for employees. (ECF No. 1 at ¶¶ 17-19.) Because this information provides NSP with a competitive advantage and was safeguarded to prevent disclosure, it qualifies as a trade secret under the DTSA.

Moreover, NSP has plausibly alleged that Sana misappropriated its trade secrets by emailing them to Padhye shortly before his departure from NSP and disclosing them to Taycann, a direct competitor. *See WeRide*, 379 F.Supp.3d at 846; *Henry Schein*, 191 F.Supp.3d at 1077; (ECF No. 1 at ¶¶ 17, 41, 65.)

Finally, NSP has adequately alleged damages exceeding \$75,000, directly tied to Sana's misappropriation of its trade secrets. *See Oakwood*, 999 F.3d at 914; (ECF No. 1 at ¶¶ 72-73, 163.) Sana's contention that NSP's allegations of lost business are insufficient to establish damages lacks merit at the pleading stage, where exact calculations are not required, and damages resulting from DTSA violations are easily deduced from the misappropriation itself. *See Oakwood*, 999 F.3d at 914.

⁴ Unlike NSP's pleadings in *One Way Drug*, its allegations here specify that its trade secrets were directly related to NSP's products and services in states other than Nevada. (*See Sana Mot.* at 6) (citing Ex. B, *Nat'l Specialty Pharmacy, LLC v. One Way Drug, LLC*, Case No 2:21-cv-01082-JAD-VCF (D. Nev. Sept. 28, 2021).) Consequently, the reasoning of the *One Way Drug* court is easily distinguished and inapplicable to NSP's Complaint here.



1 Accordingly, NSP has stated a prima facie case of trade secret misappropriation against
2 Sana because its allegations establish standing under the DTSA and UTSA, identify valid trade
3 secrets used in interstate commerce, demonstrate Sana's misuse of those trade secrets, and
4 plausibly allege resulting damages.

5 **C. NSP has stated a prima facie case of breach of contract against Sana**
6 **because it alleges conduct by Sana that clearly breached the conflict of**
7 **interest and confidentiality provisions of her employment agreement with**
8 **NSP.**

9 Under Nevada law, a breach of contract claim requires: (1) a valid contract, (2) a breach
10 by the defendant, and (3) resulting damages. *Saini v. Int'l Game Tech.*, 434 F. Supp. 2d 913, 919-
11 20 (D. Nev. 2006). Confidentiality clauses within employment agreements are enforceable. *See*
12 *Traffic Control Servs., Inc. v. United Rentals Nw., Inc.*, 87 P.3d 1054, 1057 (Nev. 2004).

13 Further, a covenant of good faith and fair dealing is implied in every contract. *Park v. Park*,
14 367 P.3d 808 (Nev. 2010). This covenant is breached "[w]hen one party performs a contract in a
15 manner that is unfaithful to the purpose of the contract and the justified expectations of the other
16 party are thus denied." *Hilton Hotels Corp. v. Butch Lewis Prods., Inc.*, 808 P.2d 919, 923 (Nev.
17 1991) ("*Hilton*"). The reasonableness of a party's expectations under a contract is "determined by
18 the various factors and special circumstances that shape these expectations." *Id.* at 923-24 (holding
19 that a party may breach the implied covenant of good faith and fair dealing by deliberately
20 undermining the other party's contractual benefits, even while technically complying with the
21 contract's express terms).

22 Here, NSP's allegations clearly establish that Sana breached the conflict of interest and
23 confidentiality provisions of her employment agreement with NSP. In signing her employment
24 agreement, Sana agreed that "during and after [her] employment with NSP, [she] [would] hold in
25 the strictest confidence, and take all reasonable precautions to prevent the unauthorized use or
26 disclosure of Company Confidential Information." (ECF No. 1 at ¶¶ 17-19, 101-102.) Her
27 Agreement defines "Company Confidential Information" to include the proprietary formulas,
28 pricing strategies, marketing methods, and computer and software processes that NSP developed
over seven years and took reasonable measures to protect. (ECF No. 1 at ¶¶ 15-19.) The Agreement



1 also contains a confidentiality clause applying to third-party information, including HIPAA-
2 protected data regarding patients, vendors, and medical providers that NSP possessed. (ECF No.
3 1 at ¶¶ 15-19, 101-102.) Additionally, Sana's Agreement includes a conflict-of-interest provision,
4 whereby she agreed not to engage in any activity conflicting with her obligations to NSP, such as
5 working for a direct competitor. (ECF No. 1 at. ¶¶ 101-102.)

6 As detailed above, Sana breached the express provisions of her employment agreement by
7 working for a direct competitor and providing that competitor with NSP's confidential information
8 and trade secrets. Specifically, Sana emailed trade secrets to Padhye, which were then utilized for
9 Taycann, and later directly worked for Taycann, a competitor, using NSP's confidential
10 information. (ECF No. 1 at. ¶¶ 41, 71.) Given that NSP later discovered references to Taycann in
11 NSP's CRM system, including comments by Sana noting her sales successes on Taycann's behalf,
12 the most reasonable deduction is that Sana used NSP's confidential information to benefit
13 Taycann. (ECF No. 1 at ¶ 43.) Thus, Sana's conduct constitutes a breach of the conflict of interest
14 and confidentiality provisions in her employment agreement.

15 In addition, Sana's conduct violated her implied covenant of good faith and fair dealing
16 because she acted in a manner unfaithful to the purpose of her employment agreement and NSP's
17 justified expectations. Rather than honoring her obligation to promote NSP's interests with
18 integrity, she concealed her work for a competitor, misappropriated NSP's confidential
19 information, and took actions directly adverse to NSP's interests, such as spreading false
20 statements to disrupt operations. (ECF No. 1 at ¶¶ 57-60.) NSP's expectation that Sana would
21 comply with her confidentiality and conflict of interest obligations was entirely justified, as these
22 requirements were explicitly outlined in her employment agreement. *See Hilton*, 808 P.2d at 922-
23 24; (ECF No. 1 at ¶¶ 101-102.) Thus, NSP has also properly alleged that Sana's conduct violated
24 her implied covenant of good faith and fair dealing.

25 Further, Sana's breach of contract caused NSP substantial harm, including the loss of
26 proprietary trade secrets, financial losses, and reputational damage. By providing Taycann with
27 NSP's confidential information, such as patient data and marketing strategies, Sana undermined
28 NSP's competitive advantage and enabled Taycann to capitalize on years of NSP's investment in



1 its proprietary processes, marketing strategies, and client relationships. (ECF No. 1 at ¶¶ 41, 43.)
2 Her actions also resulted in the loss of business opportunities, as NSP was deprived of the chance
3 to replace her with an employee committed to its interests. (ECF No. 1 at ¶ 71.) Additionally, her
4 unauthorized use of NSP's resources and disruptive conduct, such as spreading false statements
5 about NSP personnel, caused direct financial harm, including increased costs for employee
6 retention and operational disruptions. (ECF No. 1 at ¶¶ 57-60.)

7 Therefore, NSP has stated a claim for breach of contract against Sana by alleging that she
8 violated her express contractual obligations and the implied covenant of good faith and fair
9 dealing, thereby causing NSP substantial financial and competitive harm.

10 **D. NSP's request for injunctive relief is not moot because Sana still possesses**
11 **NSP's trade secrets and may, without this Court's intervention, disclose**
12 **them to another competitor.**

13 Under the DTSA, a court may grant an injunction to prevent actual or threatened
14 misappropriation of trade secrets. 18 U.S.C. § 1836(b)(3)(A). A claim for injunctive relief is not
15 moot if there remains a reasonable likelihood of future harm, such as the defendant disclosing trade
16 secrets they possess. *See Saini*, 434 F. Supp. 2d at 919 (holding that the risk an employee may
17 disclose confidential information or trade secrets can create the irreparable harm sufficient to
18 warrant a preliminary injunction); *Faiveley Transp. Malmo AB v. Wabtec Corp.*, 559 F.3d 110,
19 118 (2d Cir. 2009) ("*Faiveley*") (explaining that a risk of irreparable harm exists "where there is a
20 danger that, unless enjoined, a misappropriator of trade secrets will disseminate those secrets to a
21 wider audience or otherwise irreparably impair the value of those secrets").

22 Here, NSP's request for injunctive relief is not moot because Sana still possesses the trade
23 secrets she misappropriated, creating a risk of disclosure to another competitor. (ECF No. 1 at ¶¶
24 30, 35.) Contrary to Sana's argument that NSP's request for injunctive relief is moot because she
25 no longer works for Taycann, her possession of the trade secrets and ability to disclose them—not
26 her employment status—drives the analysis. *See Saini*, 434 F. Supp. 2d at 919; *Faiveley*, 559 F.3d
27 at 118.
28



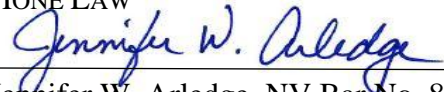
1 Accordingly, NSP's request for injunctive relief is valid because Sana's possession of
2 NSP's trade secrets creates a risk of future disclosure that this Court can prevent.

3 **V. CONCLUSION**

4 For the foregoing reasons, NSP respectfully requests that this Court deny Sana's Motion
5 to Dismiss in its entirety. In the alternative, NSP requests leave to amend its complaint, or conduct
6 discovery in advance of a ruling on this motion.

7 Dated this 15th day of April 2025.

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9 

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CERTIFICATE OF SERVICE

I certify that I am an employee of Hone Law and that on Tuesday, April 15, 2025, I caused a true and correct copy of the foregoing PLAINTIFF NATIONAL SPECIALTY PHARMACY LLC'S OPPOSITION TO DEFENDANT SANA'S MOTION TO DISMISS / MOTION FOR SUMMARY JUDGMENT to be served on the following individuals in the manner designated:

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Method of Service:

- ☐ U.S. Mail, first class postage pre-paid
☐ E- Mail:
(by consent under Rule 5(b)(2)(E))
☒ The Court's electronic filing system
☐ Other:

Method of Service:

- ☐ U.S. Mail, first class postage pre-paid
☐ E- Mail:
(by consent under Rule 5(b)(2)(E))
☒ The Court's electronic filing system
☐ Other

/s/ Candice Ali

Candice Ali, an employee of HONE LAW



**PLAINTIFF NATIONAL SPECIALTY PHARMACY LLC'S
OPPOSITION TO DEFENDANT SANA'S MOTION TO DISMISS / MOTION FOR
SUMMARY JUDGMENT**

Exhibit	Description	Pages
1	Declaration of Sanjiv Dhawan	26